



**Local Governments and Social Economy:  
co-creation of paths for a green and inclusive economy**

**GSEF Global Virtual Forum  
4-8 October 2021**

**Report format**

<b>Title of the session:</b>	Social Entrepreneurship, Social Innovation and Community Development
<b>Type of session</b>	Self-Organised Session
<b>Language:</b>	English and Korean
<b>Date:</b>	5th October
<b>Time:</b>	16-17:30
<b>Participants</b>	

**Name of moderator**

Moo-Kwon Chung

**Speakers**

- **Minjeong Park and Sang-Il Han**
- **Sang-Il Han, Joohee Park and Hanna Yoo**
- **Sang-Il Han and Hanna Yoo**

**Main question**

What should be the actions or strategies of individuals, governments, groups, societies, countries, to achieve a better and more inclusive world?  
What key actions should be promoted from the local level?



### Summary of presentations:

- **Minjeong Park and Sang-Il Han: Social Capital and Social Innovation in South Korea: The Effect of Trust, Norms, and Networks**
  - Research background:
    - the necessity of social innovation
    - the importance of social capital
  - the purpose of this study: how social capital affects social innovation
    - clarifying each concept of social capital and social innovation
    - reviewing literatures on the relationship between them
    - exploratory factor analysis
    - regression analysis
  - Theoretical background: social capital
    - networks: the linkage between actors such as individuals or groups and the form of linkage that appears in these relationships
    - norms: the degree of consensus in the social system and plays an important role in solving common problems
    - trust: the belief of individuals, groups, and social institutions through repeated exchanges
  - theoretical background: social innovation
    - state
    - market
    - civil society
    - characteristics of social innovation
      - novelty: new ideas that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations
      - collaboration: social innovations are technologies that facilitate and require coordination with others to be successful
      - learning: a collective process of learning involving the distinctive participation of civil society actors aimed to solve a societal need through change in social practices that produce change in social relationships, systems and structures, contributing large socio-technical change
    - the relationship between social capital and social innovation
      - positive effect of perceived social capital of social enterprise workers on the social innovation tendency of the organisation
      - each dimension of social capital and its relationship with innovation
        - community members can exchange new information necessary for social innovation through the networks and can



- increase opportunities for learning to acquire new knowledge necessary for innovation
- the stronger the bond of the network, the higher the possibility of social innovation in the local community
- trust among community members is expected to contribute to promoting social innovation
- when community members trust each other, they will collaborate and exchange formal and informal resources for innovation activities
- norms are one of the most important social capitals that community members consider to be worthy of following, and forms a sympathy for the necessity and participation of social innovation, thereby facilitating collaboration among members
- Research methods
  - collection of data from 19 local areas in Korea
  - Sample size: 1900 local people (100 in each area)
  - analytical framework
    - control variables: sex, age, education, family income, length of living
    - independent variables: trust, norms, networks
    - dependent variables: novelty, collaboration, learning
  - the validity of the concept of social capital and social innovation
    - social capital: networks, trust and norms
    - social innovation: novelty, collaboration and learning
  - the causal relationship between social capital and social innovation - each dimension of social capital has a positive correlation to social innovation
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- **Sang-Il Han and Hanna Yoo:** The Development and Validation of Social Entrepreneurial Antecedents
  - Objectives of study:
    - review previous studies on SEA
    - Develop the measurement scale of SEA
    - validate the measurement scale of SEA
  - Research background:
    - the importance of local community: main agent of solving social problems:
      - innovative and new approach to respond to various social issues
      - local community: main agent of solving social problems
      - the importance of social entrepreneur
    - the importance of social entrepreneurs:
      - increasing the number of training programs for social entrepreneur
      - who has the qualifications to grow into a social entrepreneur?
      - who will participate and explore opportunities to solve problems in the community?
  - increasing the research on SEship



- development and validation
- increasing the research on the relationship between organisational performance, social performance and sustainability
- lack of research on antecedents of social entrepreneurship
- purpose of this study:
  - improving the practicality of social entrepreneurship research
    - literature review
      - conceptual studies on the social entrepreneurship and its antecedents
      - empirical studies on the antecedent factors of social entrepreneurship
    - empirical analysis
      - descriptive statistics
      - exploratory factor analysis, confirmatory factor analysis, convergent validity, discriminant validity, higher order factor analysis, predictive validity
    - **the development and validation of social entrepreneurial antecedents (SEA)**
  - Social entrepreneurship and social entrepreneurial antecedents
    - social entrepreneurship - starts with Say, Schumpeter and Drayton
      - Weerawardena and Mort
        - conceptualisation as the perspective of leadership qualities
          - innovativeness: creating new businesses and values
          - proactiveness: recognising social change as an opportunity to meet new demands
          - risk-taking: consider and manage upcoming risks
      - Bae, Oh et al, Moon and Kim
        - adding concepts such as social purpose, empathy, innovation, practicality, job calling, value matching, job enthusiasm, and job satisfaction to the above three concepts
    - it is not appropriate to include prosocial tendencies in the elements of social entrepreneurship
  - Four antecedents:
    - empathy: cognitive and emotional empathy for the vulnerable
    - moral obligation: a sense of obligation to consider the vulnerable as a universal ethical standard
    - self efficacy: recognition of the ability to solve regional problems in cooperation with other members

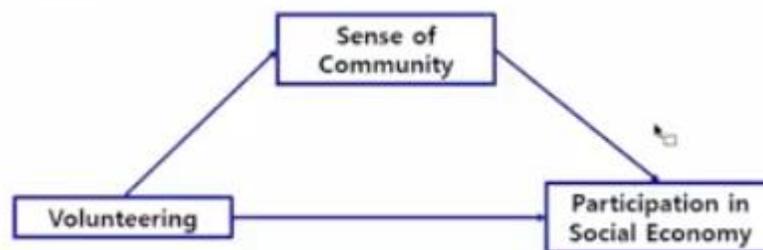


- social support: the degree to which other members are willing to help you when you are trying to achieve your goals
- Research method
  - SPSS ver25.0 and AMOS ver22.0
  - correlation analysis
  - exploratory factor analysis, confirmatory factor analysis
  - convergent validity, discriminant validity
  - higher order factor analysis
  - predictive validity
- Outcomes:
  - implications:
    - validation of the concept of social entrepreneurial antecedents
    - finding the importance of cognitive dimension (empathy, moral obligation)
    - advancement of research and learning system to foster social entrepreneurs in the region
  - future research:
    - identification of the causality with the preceding factors
    - development of educational programs for social entrepreneurs using SEA measurement
- **Sang-Il Han, Joohee Park and Hanna Yoo: An Empirical Analysis of Volunteer Work and the Participation in Social Economy Organizations: Mediating Effect of Sense of Community**
  - Background and purpose
    - the role of the social economy
      - meeting community needs that are not met by market or government
    - residents' participation, expression of opinions, and commitment to the community are important for the development of SE
    - the share of SE among volunteer organisation in South Korea is very small: 11% of volunteers
    - it is important to identify the causality that community members' volunteering leads to the expression of a sense of community required by the social economy and develops into active participation in the SE
  - **the effect of volunteer work on SE participation: mediating effect of sense of community**
  - the process by which volunteering contributes to community formation
    - capacity building of participants
    - formation of social capital
    - comprehensive learning
    - an empirical study on volunteerism and community formation
  - category of social economy organisation
    - traditional vs new social economy (international)
      - agricultural co-ops, credit unions, consumer co-ops, mutuals
    - diversity in historical formation of co-ops in South Korea



- agricultural co-ops: material heritage of the extortion agencies during the Japanese colonial period. but introducing democratic institutions through recent reforms
- financial co-ops: growing under the nurturing of the military government. but also adopting reforms
- credit unions: although they have a history of voluntary, democratic and self-help, criticism that autonomy has been reduced during the governmental financial reform process in the late 90s
  - consumer food co-ops: voluntary, democratic, self-help history
- disagreements exist which cooperatives should be included in the social economy organisation
  - the social economy in the narrow sense and the social economy in the broad sense are distinguished
- theoretical model

- h1:



- volunteering has a positive effect on social economy participation
  - it has been confirmed in both broad and narrow definitions of social economy organisation
- h2a: volunteering has a positive effect on social economy participation mediated by sense of community
- h2b: when defining social economy in the narrow sense, these effects will be larger than when defining social economy in the broad sense
  - has been confirmed in narrow definition but not broad
- Policy Implication
  - it is important that volunteer experiences in the community be an experience that confirms your identity as a member of the community
    - if a volunteer organisation simply receives labour from volunteers and fails to promote sense of community, the opportunity for participants to grow as a member of a wider civil society may be limited
  - activation of channels that allow various volunteer participants in the local community to access the social economy



- networks - among volunteers, volunteer organisations, civil society organisations
- registration and linkage with volunteering centers
- reflecting characteristics such as village-based community-seeking cooperatives and social economy organisations for the underprivileged

Screenshots of the zoom session (preferably gallery view with all the participants, so please take a minute before closing the session to ask all the participants to turn on their videos and take a group photo. This can be also used for the video recording later.)

